

IDAHO STATEWIDE HEALTHCARE INNOVATION PLAN
MULTI-PAYER STRATEGIES WORK GROUP
Phase III Meeting, 8/22/2013

Call In #: 1 877 451 3701, passcode: 6126428722#



Statewide **Healthcare
Innovation** Plan

Improved health, improved healthcare, and lower cost for all Idahoans

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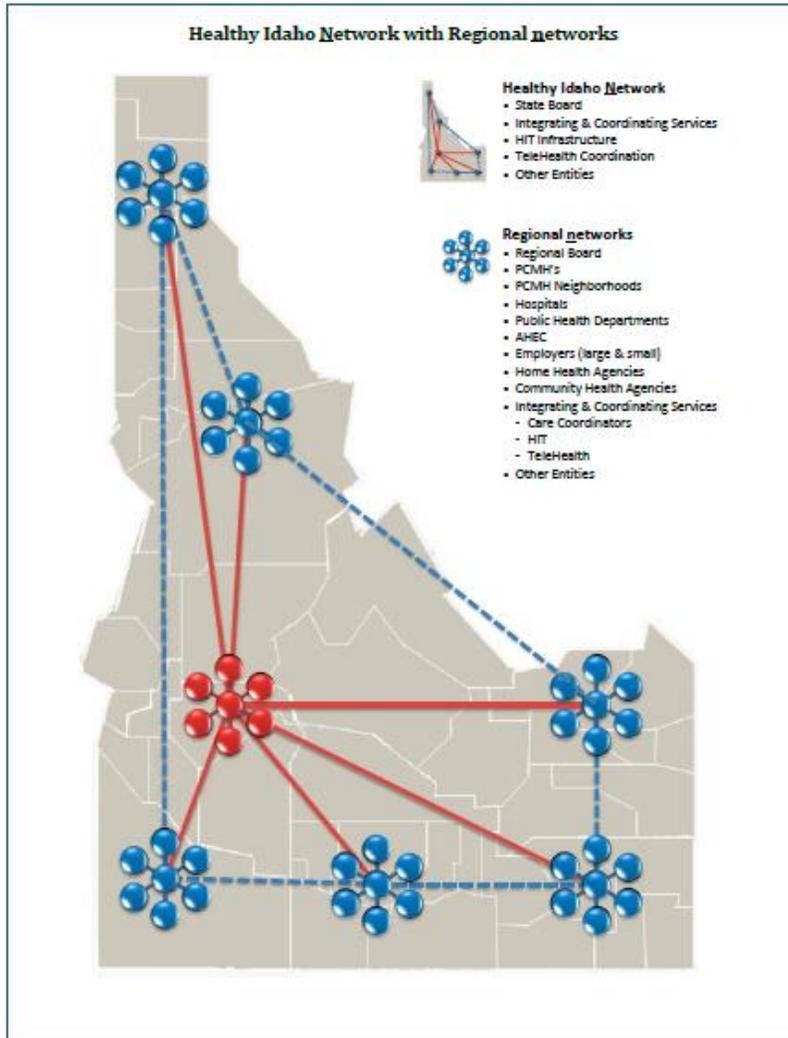
Grant Administrator:
Idaho Department of Health and Welfare

Agenda

- 2:30-2:45 Steering Committee Models
- 2:45-3:45 Multi-payer models with recommendations
- 3:45-4:00 Options for funding
- 4:00-4:30 Steering Committee Questions (Recommendations due 8/23)

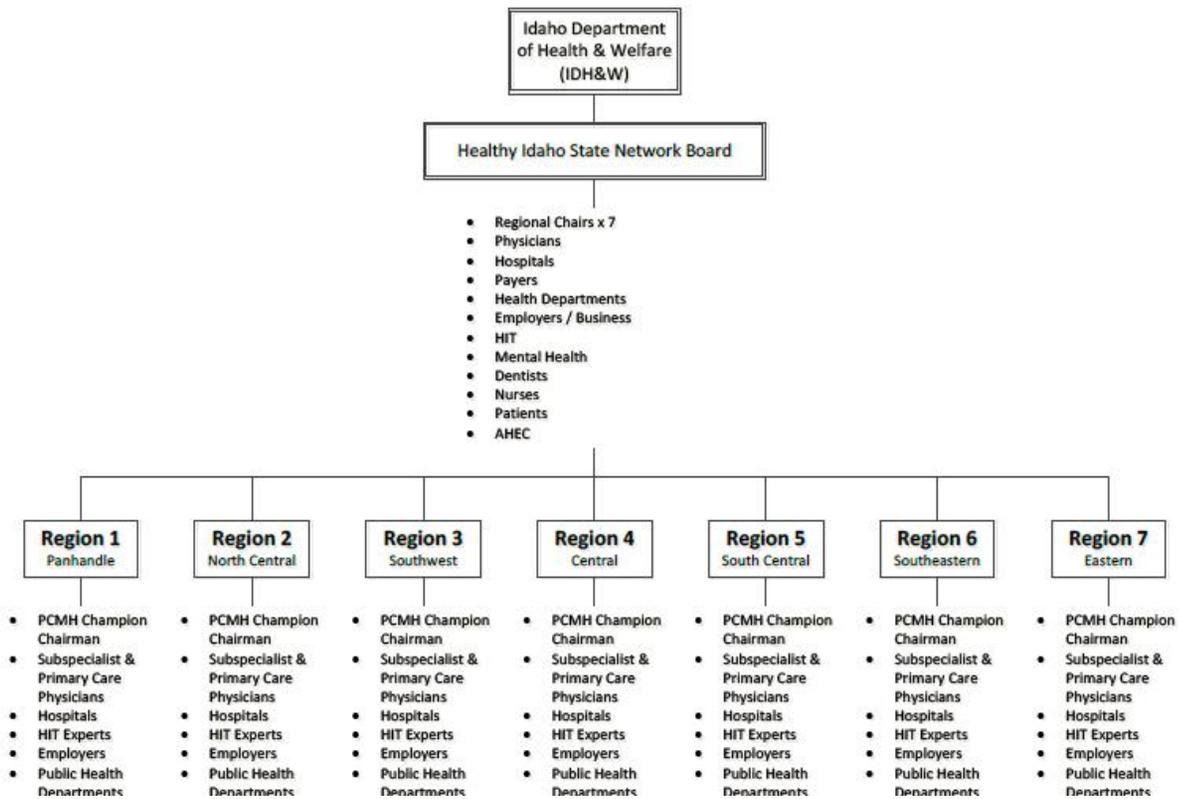


Steering Committee Models



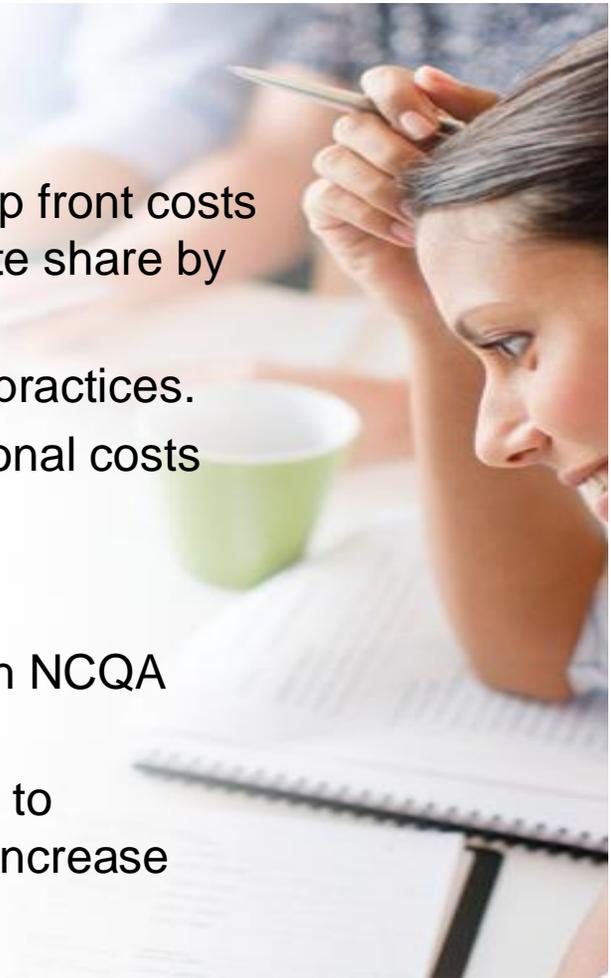
Steering Committee Model Preference

Healthy Idaho Network and Regional networks Governance



Multi-Payer Strategies

- (Southeast Pennsylvania) Lump Sum Payments — cover up front costs by determining a lump sum amount and getting proportionate share by payer.
 - Pros: Settles start-up cost issue and aids in recruiting practices.
 - Cons: Does not address ongoing expenses and additional costs with maintaining a PCMH.
- (Colorado) Escalating by NCQA Level
 - Pros: Incentivizes providers to continue growth through NCQA designation, promotes learning.
 - Cons: Does not address patient complexity, incentives to providers to join, or cover up-front costs as payments increase after designation.
- (Minnesota) Escalating by Patient Complexity (Not fully implemented)
 - Pros: Truly patient-centered. Creates incentives for handling more complex cases that take longer to manage.
 - Cons: Difficult to administer and monitor patient complexity level.



Recommendations

- Recommendation: Blend of all three
 - Up front “recruitment” payment with minimum level of NCQA within a certain time period or refund of payment.
 - Matrix of payment level based on NCQA Level (3 levels) and Patient Complexity.
 - Minimum levels of NCQA designation and complexity for shared-savings, quality bonuses.

Attribution

- Consumer Designation
 - Not available for all plan types currently.
- Claims Activity
 - Retrospective and not everyone has claims for long periods.
- Assignment
 - Uncompetitive and difficult to ensure patient engagement/responsiveness.
- *CMS makes it clear that the consumer must maintain the right to select and change their PCP upon reasonable request.*

Funding Options/Sources

- Federal Grants (short-term opportunity).
- CMS Demonstration Plan Procedure Codes (S0280/S0281).
- Federal FMAP (only for state sponsored healthcare, e.g. Medicaid).
- Private Investments (from payers and providers).
- Premium Tax (not applicable to self-funded plans).
- Provider Tax (very broad based, would include all types of payers).
- Other Funding Options — open discussion.



Steering Committee Questions

- Detailed understanding of payments to providers (PMPM).
- Detailed understanding of pricing of tele-medicine, email consults.
- How will get to attribution of 80% of all members?
- Will there be classification of membership based on levels of need?
- Will there be a payment differential for rural practice?
- How will we allow independent practices to continue?
- Will there be competition among PCMH Networks?
- How will we get Medicare involvement?
- Determine funding using grants, investment, and savings for:
 - Set-up and one-time expenses vs. Ongoing needs.



Additional Ideas

- Regional Networks to determine Quality Metrics.
- Regional Networks to identify cost-savings focus for shared savings.
- Healthy Idaho Network to communicate best practices, results, regulatory issues and opportunities.



Next Steps

- Next work group meeting date:
 - September 11, 2013
- Data Requests
- Follow Ups



